



10 HIGHWAY 35, P.O. BOX 500, RED BANK, NEW JERSEY 07701 ☐ (908) 747-7800

Site B  
Contract  
F.B.

October 10, 1991

Honorable Sharpe James  
City of Newark  
City Hall  
920 Broad Street  
Newark, NJ 07102

RE: Option Exercise University Heights Redevelopment Plan Site E

Dear Mayor James:

Section 2.4 ("Time to Exercise Options") of our contract to acquire title and to develop University Heights Sites A, B, E and C requires that we exercise our Site E option no later than eleven (11) months after the closing date on Site B. Section 2.5 of the contract requires that we serve notice of our option exercise upon the City no later than the expiration date of the applicable option period and that our notice is to specify a proposed closing date no later than thirty (30) days after we exercise our option.

Section 6.8 of the contract requires that we commence construction on Site E no later than thirty (30) days after the date of the conveyance of Site E to us, that construction of all units on Site E is to be completed within twelve (12) months after the date of conveyance of title and that completion of construction of improvements on Sites A, B, C and E shall be completed no later than four (4) years after the conveyance of Site A (subject of course to all of our options having been exercised).

The City's records will show that we obtained title to Site A by deed dated October 7, 1988 and that we acquired title to Site B by deed dated November 20, 1990.

We are please report that within one and one half years of acquiring title to Site A we completed construction and sales of the 168 dwelling units comprising same. Due to difficulties in overcoming the historic aspects of a few churches in the area, we then proceeded to develop the lower portion of Site D (pursuant to separate contract with the City). Since acquiring title to Site D's first two blocks we have completed construction and sales of its 164 dwelling units. Since acquiring title to Site B we have completed construction of 52 dwelling units and are actively involved in the construction and sales of the remaining 147 dwelling units which comprise Site B (the time period for the completion of which was extended by prior correspondence with the City's Office of Corporation Counsel).

Based on the forgoing we hereby exercise our option to purchase Site E of the University Heights Redevelopment Plan area, conditioned upon resolving any outstanding issues pertaining to tax abatement for same.

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Please allow this letter to confirm our prior discussions and correspondence with Glenn Grant and Harold Lucas wherein it was agreed that the closings on then remaining sites will be scheduled to reasonably coincide with the completion of the City's activities of acquiring title to all non-City owned parcels and churches and demolition thereof on the applicable site and further to coincide with our ongoing construction activities in the University Heights Redevelopment Plan area. In light of same we anticipate an April 1992 closing on Site E.

We look forward to continuing our public-private partnership in the development of this area. As we have in the past, we thank you for your invaluable assistance and the invaluable assistance of the City's staffs.

Very truly yours,

K. HOVNANIAN AT NEWARK URBAN RENEWAL CORPORATION III, INC.

  
Conrad E. Gack  
President

CEG:jac  
cc: Richard Monteilh  
Harold Lucas  
Glenn Grant  
Site A, B, C & E Contract File  
Marshall Cooper

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